

THE URBAN INSTITUTE

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July 12, 2002

Mr. Gerald Barth
CTO
USAID/Paraguay
Juan de Salazar 364
Asunción, Paraguay

RE: Contract No. LAG-I-02-99-00036-00, Task Order 801
UI Project 06967-003, Paraguay More Effective and Accountable Local Government
Quarterly Task Order Progress and Cost Report, April to June 2002

Dear Mr. Barth:

Please find enclosed the *Quarterly Task Order Progress and Cost Report, April to June 2002, Paraguay More Effective and Accountable Local Government* as required under Section F.12 of the above referenced contract.

Please direct any technical questions to Walter Galindo, Chief of Party (Chemonics International) at 595-21-226-548-204-033. Questions of a contractual nature should be addressed to me at 202-261-5293.

Sincerely,

Suzanne Forehand
Acting Director

Enclosures

cc: Jeff Boyer (USAID/Washington)
Walter Galindo (CoP/Paraguay)
USAID Development Clearinghouse
IAC Deliverables File (06967-003)

**QUARTERLY TASK ORDER
PROGRESS AND COST
REPORT**

APRIL TO JUNE 2002

**PARAGUAY MORE
EFFECTIVE AND
ACCOUNTABLE LOCAL
GOVERNMENT**

Prepared for



Paraguay More Effective and Accountable Local Government
United States Agency for International Development
Contract No. LAG-I-02-99-00036-00, DO No. 801

Prepared by

Mr. Walter Galindo
Chemonics
(under sub-contract to UI)



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June 2002
UI Project 06967-003

QUARTERLY TASK ORDER PROGRESS AND COST REPORT

APRIL TO JUNE 2002

PARAGUAY MORE EFFECTIVE AND ACCOUNTABLE LOCAL GOVERNMENT

Task Order No.: LAG-I-00-99-00036-00, TO No. 801

Date of Issuance: September 2000

Amount Obligated Under Task Order: \$ 1,753,777

Total Potential Task Order Amount: \$ 1,753,777

Dollars Expended To-date: \$ 1,026,746

Task Order Description

In September 2000, UI signed a two-year contract with United States Agency for International Development (USAID) to provide capacity building and technical assistance to local governments in Paraguay. Under subcontract to the Urban Institute (UI), Chemonics is managing this Task Order to identify 10 new small-to-medium scale pilot public service projects in 4 departments and approximately 20 municipalities in Paraguay. Chemonics is strengthening the capacity of participating municipalities and non-governmental organizations (NGOs) to design, deliver and manage viable service delivery projects and mechanisms. We are also providing technical assistance in participatory tools to define strategic/priority projects, identifying funding alternatives; strengthening the public-private service delivery options; basic financial planning; transparent decision making project and municipal finance and associated legal issues.

Chemonics/Urban Institute Quarterly Report Number 6

Summary—The project is on track and schedule. The delays due to weather conditions and road blockades have been prevailed over and in sum, the quarter was very productive. After the approval of consultants in the last part of previous quarter, the project was able to initiate the implementation of the 2002 work plan. Memorandums of understanding were signed with all of the selected municipalities and most of the initial work in each project was completed. Additionally, two pending 2001 projects were inaugurated.

2001 Workplan—Two of five projects remaining from 2001 workplan were completed in this second quarter of 2002. The sanitary landfill in Tobati, Cordillera and the slaughterhouse in San Ignacio Missions were inaugurated and presented with the certification of the Secretary of the Environment. The construction of the bridge in Villa Elisa is underway, and the resolution of land acquisition for San Jose de los Arroyos, Caaguazu sanitary landfill was completed in the last day of the quarter. Both projects will be completed and inaugurated during the third quarter.



The project has also completed all technical and financial projections for the Limpio wastewater project. The request for certification is being processed and expected to be granted in July. The Chemonics Finance Project is procuring the financing for the project and the SUM project has set aside the necessary LOE to complete the civil works when the financing is resolved.

2002 Workplan—Eight out of the ten sites pre-selected for construction of solid waste sanitary landfills have been pre-approved by the Secretary of the Environment as proper and fit according to law. Probing and topographical studies were conducted on these final eight sites and reports on each site have been completed.

In the two rural road projects in Ita and Quiindy, Paraguari, the topographical studies have been completed and designs presented to the municipalities for approval. In the case of Ita, the project completed the improvement of a 4.2 km section of road at the end of this quarter. The project will also deliver an additional 50+ kilometers of improved roads by the end of our project.

A group of our technicians have been conducting environmental training with community groups in the municipalities with sanitary landfill programs. As part of the replication effort in Boqueron, a dissemination program has been initiated with a 2-hour radio program every Saturday on radio Pai Puku. The program instructs listeners on the proper disposal of solid wastes as well as communicates larger themes in environmental education.

Measures to ensure the sustainability of all completed projects are well underway with the preparation of financial studies to assess the long-term maintenance costs to the communities. The project is also working towards creating a legal framework for communities that will help them prepare necessary municipal ordinances that will govern project sites' usage. These measures will ensure sustainability by creating a structure by which the projects are self-financed through user fees and are properly used and maintained through the life of the landfill.

Although the Missions Department governor has requested that all ten municipalities of his district participate in the solid waste management program, he has determined that it will be feasible to complete only five municipal landfills through November 2002. Our partner and local NGO Alter Vida will be able take the reins after Paraguay SUM's end to complete the other five landfills.

Key Personnel

Mr. Walter Galindo, CoP, Chemonics/Paraguay, (under sub-contract to UI) wgalindo@chemonics.net, 595-21-226-548-204-033.

ATTACHMENTS

- Charts: 2001 Pending Results
2002 Results
2002 Tasks**
- Cost Report**

SECOND QUARTERLY REPORT, 2002

2001 Pending Results

Target Accomplishments	Progress Towards Accomplishments	Projected Accomplishments for Next Quarter
1.3 Disbursement program and work plan verified	The newly elected municipal council approved the planned purchase of materials to begin construction.	
1.4 Construction monitoring	Civil works have been started and are progressing as scheduled. The Phase I Platform will be completed in August. Phase II Access Roads design has been completed and presented to the municipality for review. All documents for environmental certification have been completed and presented to the Secretary of the Environment.	Construction continues
1.5 Civil works completed		Completion anticipated for next quarter

Target Accomplishments	Progress Towards Accomplishments	Projected Accomplishments for Next Quarter
2.3 Alternative funding analysis	The SUM IQC Project has completed the technical studies and design of the sewage system, the financial projections and the environmental certification questionnaire. The Chemonics Municipal Finance project has taken over the responsibility of finding the funds needed to execute this project.	LOE has been reserved for this activity and technical assistance will be provided as needed.

Target Accomplishments	Progress Towards Accomplishments	Projected Accomplishments for Next Quarter
3.5 Construction monitoring	Completed	We will continue to monitor the project and conduct meetings with the garbage collection agents to establish schedules and fees to guarantee the sustainability of the project. This will be followed by the preparation of a municipal ordinance that regulates the operation of the certified sanitary landfill.
3.6 Environmental certification	Completed. Presented at inauguration.	
3.7 Completion of civil works	Completed. The service was inaugurated on 6/8/02.	

Target Accomplishments	Progress Towards Accomplishments	Projected Accomplishments for Next Quarter
4.5 Construction monitoring	Transfer of funds to the Municipality by the Governorship has not been completed as of the end of June. The project continues to exert pressure to obtain the transfer of funds.	If funds are transferred during July, the project can be completed by September.

Target Accomplishments	Progress Towards Accomplishments	Projected Accomplishments for Next Quarter
6.6. Monitoring for environmental plan execution		Financial analysis of the operation costs will be conducted and recommendations to control contamination levels of effluent will be made.
6.7. Environmental affairs secretary certification	Presented at inauguration.	
6.8. Civil works completed	Completed. The service was inaugurated on 6/13/02.	

2002 RESULTS: Public Service Projects with Alternative Financing

2002 RESULT 1 (COUNTS AS 5 RESULTS): DEPARTMENT OF MISIONES SANITARY LANDFILLS

Target Accomplishments	Progress Towards Accomplishments	Projected Accomplishments for Next Quarter
1.1 Project Identification	A sanitary landfill site to serve the municipalities of San Juan, Santa Rosa and San Ignacio has been identified. The Governors' office is looking for funds to purchase additional land, since the current site is not large enough to serve the three municipalities. Feasibility studies are underway on a site for the municipalities of San Miguel and Santa Maria .. Environmental pre-approvals obtained. Working with the mayors and Governor to find solutions to constraints to landfill site development in the municipalities of Ayolas, San Patricio, Villa Florida and Yabebyry .	Final project design and budget will be completed Construction will begin Environmental Certification process will begin
1.2 Signature of Memorandum of Understanding	MOU has been signed on 3/25 by the all municipal mayors and the governor of Misiones	
1.3 Site Selection	Three sites have been selected and approved	

2002 RESULT 2: PIREBEBUY DE CORDILLERA SANITARY LANDFILL CONVERSION

Target Accomplishments	Progress Towards Accomplishments	Projected Accomplishments for Next Quarter
2.1 Project Identification	Design work and environmental certification underway.	Final project design and budget will be completed Construction will begin Environmental Certification process will begin
2.2 Signature of Memorandum of Understanding	Signed on 3/26	
2.3 Site Selection	Selected.	

2002 RESULT 3: ATYRA DE CORDILLERA SANITARY LANDFILL

Target Accomplishments	Progress Towards Accomplishments	Projected Accomplishments for Next Quarter
3.1 Project Identification	Design work and environmental certification underway. The Minister of the Environment requested our help in establishing a facility for solid waste disposal. We will be collaborating with the Pan-American Health Organization. Our partner in this project is the local NGO Alter Vida. Local funds will cover the cost of construction.	Technical and financial feasibility diagnostic. Final project design and budget Construction starts Environmental Certification progress started
3.2 Signature of Memorandum of Understanding	Signed on 3/13	
3.3 Site Selection	Selected.	

2002 RESULT 4: ITA DE CENTRAL RURAL ROAD MAINTENANCE

Target Accomplishments	Progress Towards Accomplishments	Projected Accomplishments for Next Quarter
4.1 Project Identification	Final design and the schedule for use of heavy machinery presented to Municipality. Rains delayed the start-up of the construction	Technical and financial feasibility diagnostic will be completed. Construction will begin July 1, weather permitting.
4.2 Signature of Memorandum of Understanding	Signed on 3/13	Environmental Certification process will be underway.
4.3 Site Selection	Initial work has begun on the market road.	Completion of at least 20% of the rural road network of the municipality

2002 RESULT 5: QUINDY DE PARAGUARI RURAL ROAD MAINTENANCE

Target Accomplishments	Progress Towards Accomplishments	Projected Accomplishments for Next Quarter
5.1 Project Identification	The final design and budget were completed and approved by the Municipality	Construction will begin.
5.2 Signature of Memorandum of Understanding	Signed on 3/25	Environmental Certification process will be underway.
5.3 Site Selection	See 5.1	

2002 Result 6: Municipality of Concepcion Sanitary land fill *(This result replaces Task 2 (see below) per discussion with USAID and approved with last QR)

Target Accomplishments	Progress Towards Accomplishments	Projected Accomplishments for Next Quarter
5.1 Project Identification	Probing of the site was completed with the concurrence of the Secretary of the Environment to determine the characteristics and permeability of the existing site. Also topographical studies were conducted and the pre-design was started.	Design completed and construction started.
	Information is being compiled to prepare the Environmental Impact Questionnaire.	
5.2 Signature of Memorandum of Understanding	Signed	
5.3 Site Selection	Completed	

2002 Tasks

2002 TASK 1: REVENUE IMPROVEMENT-SANTA RITA DE ALTO PARANA MUNICIPAL CADASTRE

Target Accomplishments	Progress Towards Accomplishments	Projected Accomplishments for Next Quarter
1.1 Project Identification	Compilation of lot plans and their classification completed. Scanning of graphic information underway.	All graphic information will be scanned, the geographical indexation will be completed, and implementation will be underway.
	Analysis of laws that could affect the cadastre administration is underway.	Legal analysis will be completed.

2002 TASK 2: SUPPLIER CREDIT WITH PRIVATE COMPANY **(THIS TASK HAS BEEN REPLACED BY RESULT 6. PLEASE SEE ABOVE)

Target Accomplishments	Progress Towards Accomplishments	Projected Accomplishments for Next Quarter
2.1 Municipality Selection	Despite intense searching, we could not find a supplier or private company willing to work with Municipalities.	NA
2.2 Financial Diagnostic	Given the financial situation of the county and of the municipal governments, it is unlikely that this type of financing will be feasible in the foreseeable future.	NA

2002 TASK 3: DISSEMINATION/REGIONAL WORKSHOPS

Target Accomplishments	Progress Towards Accomplishments	Projected Accomplishments for Next Quarter
3.1 Workshop #1	Workshop completed in previous quarter, which led to the Missions Sanitary Landfills projects - Result 1.	See 2002 Result 1
3.2 Workshop #2	This task was completed with our participation in seven regional seminars under the auspices of USAID, GTZ and UNDP.	NA

2002 TASK 4: DISSEMINATION GUIDE TO FINANCING, BUILDING AND OPERATING A LANDFILL

Target Accomplishments	Progress Towards Accomplishments	Projected Accomplishments for Next Quarter
4.1 Preparation of Guide	Completed	Distribution will continue
4.2 Publishing Guide	Completed in previous quarter.	NA.

2002 TASK 5: REPPLICATION FOR FOUR LANDFILLS IN EL CHACO, BOQUERÓN DEPARTMENT

Target Accomplishments	Progress Towards Accomplishments	Projected Accomplishments for Next Quarter
5.1 Memorandum of Understanding	Completed.	NA.
5.2 Site Selection	Work underway in the following municipalities: Villa Choferes, Boqueron, Macharety, and Colonia Nueland. Radio program on proper waste disposal started – 2 hours every Saturday	Construction continues.

2002 TASK 7: FOLLOW-UP ON SUSTAINABILITY OF PROJECTS

Target Accomplishments	Progress Towards Accomplishments	Projected Accomplishments for Next Quarter
7.1 Periodic visits by technical supervisor	Measures to ensure the sustainability of all completed projects are well underway with the preparation of financial studies to assess the long-term maintenance costs to the communities. The project is also working towards creating a legal framework for communities that will help them prepare necessary municipal ordinances that will govern project sites' usage. These measures will ensure sustainability by creating a structure by which the projects are self-financed through user fees and are properly used and maintained through the life of the landfill.	All activities continued.